

22 February 1964

Dear Jarvis:

██████████ is pleased to submit the enclosed proposal, STATOTHR  
"Experimental Engineering Model of a Diffraction Viewer" (██████████  
Document No. 6074.01), which presents a Phase II effort to  
follow the initial feasibility work performed for your organi-  
zation. As indicated in the document, the objective of this  
proposed effort is to utilize the knowledge gained in Phase I  
to proceed with the development of a full-size diffraction  
viewer with all the optical performance implicit in an operational  
unit but without sophisticated controls, mensuration devices,  
packaging, etc.

STATOTHR The development of the viewer as presently defined will require  
STATOTHR the combined resources of the ██████████  
STATOTHR ██████████, for grating research and development, the  
STATOTHR ██████████ for the  
STATOTHR optical train, and ██████████ for the viewer body and overall  
STATOTHR integration and test. Contractually ██████████ would serve  
STATOTHR as the prime and ██████████ as subcontractors.

Since one of the most important elements of the viewer, the  
diffraction grating, will require moderate advances in the  
state of the art, the precise length of the proposed program  
can only be estimated. Given that the initial trial grating  
fabrication techniques are successful, the total program would  
span a twelve month period. Should a more realistically  
estimated number of trials be required, the program would span  
sixteen months.

STATOTHR Because total costs cannot be precisely fixed under such an  
inherently R&D situation as that implied in the above, it is  
suggested that any contractual relationships evolving from the  
proposed effort be conducted on preferably a CPFF basis; however,  
we would be willing to negotiate on a reasonable CPIF basis. In  
the event of the latter, a reasonable fee incentive formula might  
center around an 85 - 15 per cent division of savings or  
additional costs, with mutually acceptable limits on the total  
fee.

STATOTHR As indicated in the enclosed cost proposal, the target costs  
for the program are based upon the more realistic estimate of  
grating trials which combine to a total of ██████████. This  
cost, plus a nominal incentive fee of ██████████ yields a total  
estimated program cost of ██████████.

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Declass Review by NIMA/DOD

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Based on our previous efforts and discussions on this development, we hope that you share our firm belief in the technical soundness of this Phase II approach, and we are looking forward to further serving your organization.

Very truly yours,

STATOTHR

